REMARKS

Reconsideration of this application is respectfully requested.

Claims 1-30 were rejected under 35 USC §103(a) based on U.S.

patent 5,085,308 to Wilhelm combined with U.S. patent 6,267,670 to Walker et al.

It should be noted that both these patents were cited by the PCT/ISA and the PCT/IPEA as indicating the general state of the art. Furthermore the PCT International Preliminary Report on patentability stated the following:

"The cited documents, thus, represent the general state of the art and the invention defined in claims...is not disclosed by any of the documents.

The cited prior art does not give any indication that would lead a person skilled in the art to the claimed method and system related to ordering lottery tickets. Therefore, the claimed invention is not obvious to a person skilled in the art.

Accordingly, the invention defined in claims ...is novel and is considered to involve an inventive step. The invention is industrially applicable."

U.S. patent 5,085,308 to <u>Wilhelm</u> shows a return vending machine for recycling of beverage containers combined with a gaming machine 12 of the type referred to as a "one arm bandit". The gaming machine 12 helps induce consumers to bring their recyclable containers to return vending machines by affording them a gaming opportunity in addition to reimbursement for the deposit value of the returned containers.

Under the <u>Wilhelm</u> system a consumer can either receive a "voucher" for the deposit value of the returned containers or the consumer can gamble with the voucher amount in the gaming machine 12, that is incorporated in the return

vending machine. Thus a consumer who chooses to play the gaming machine 12 may lose or increase the voucher amount.

The examiner acknowledges at page 3 of the Office Action that ".... <u>Wilhelm</u> does not teach reserving...lottery tickets corresponding to return value (change)..."

The examiner then refers to U.S. patent 6,267,670 to <u>Walker et al</u> to supply teachings that are absent in <u>Wilhelm</u>, to suggest applicant's claimed requirements.

<u>Walker et al</u> shows a system wherein a lottery ticket sales transaction is performed at a point of sale terminal, such as at a checkout counter in a supermarket where merchandise is paid for. Thus a customer can pay for merchandise and use any change from the merchandise payment to purchase a lottery ticket. However the <u>Walker et al</u> system relies on an operator or cashier, other than the purchaser, to activate a key or other code to establish a communication between a data processor system and information relating to the the purchase of the lottery ticket.

Walker et al also discloses that a fractional lottery purchase can be made depending upon the amount of money that the customer is willing to spend for the lottery ticket. In addition Walker et al discloses that the convenience of paying for merchandise and purchasing a lottery ticket simultaneously at one point of sale terminal is more likely to induce a purchaser of merchandise to purchase a lottery ticket than making a separate transaction at a separate station that sells lottery tickets.

However in the <u>Walker et al</u> system the purchase of the lottery ticket is executed by the cashier who receives payment for merchandise, and not the purchaser of the merchandise.

There is no showing or suggestion in <u>Walker et al</u> that the purchase of a lottery ticket can be combined with a reverse vending machine operation.

Also, there is no showing or suggestion in <u>Walker et al</u> of a customer

administering his own purchase of a lottery ticket in connection with other activity executed by the customer, such as the return of beverage containers. In all instances and in all embodiments of *Walker et al*, an operator, such as a cashier rather than the purchaser executes the purchase of a lottery ticket.

Applicant submits that the combination of <u>Walker et al</u> with <u>Wilhelm</u> does not teach the combination of a reverse vending machine with a lottery ticket purchase system or the execution of a lottery ticket purchase in combination with the execution of a reverse vending operation wherein the lottery ticket purchase and the reverse vending operation are both carried out by the consumer or purchaser.

Applicant further submits that the examiner's combination of <u>Wilhelm</u> and <u>Walker et al</u> and the examiner's theories of obvious modifications of <u>Wilhelm</u> and <u>Walker et al</u> are based on hindsight using applicant's teachings as a guide.

Applicant's patentable novelty is a combined reverse vending machine and lottery system and a self service operation wherein the consumer directly performs the purchase of a lottery ticket in combination with the consumers' direct operation of the reverse vending machine during return of recyclable beverage containers.

With regard to the claims, claim 1 defines a method related to ordering lottery tickets in association with a persons' receipt of return value from a reverse vending machine for receiving empty packaging. The method of claim 1 requires,

"...using as point-of-trade a reverse vending machine...reserving a number of lottery tickets...corresponding to return value of empty packaging received by the reverse vending machine...confirming through action from said person...issuance of lottery ticket...or...a return value receipt..."

It is thus submitted that claim 1 is patentably distinguishable over *Wilhelm* and *Walker et al* in its requirement of the action of a person at the reverse vending machine to activate a lottery purchase at a reverse vending machine while returning empty beverage containers to the reverse vending machine. Other patentable requirements in claim 1 include,

- "...issuing to said person a return value receipt:
- a) if through action of said person those in the database reserved lottery tickets or lottery shares are caused to be cancelled, or
- b) upon failure in said communication link."

Allowance of claim 1 is thus respectfully requested.

Independent claim 2 which is of a different scope than claim 1 also requires a method that combines operation of the reverse vending machine with operation of a lottery system, both of which are executed by the consumer returning the recyclable beverage containers. Allowance of claim 2 is thus respectfully requested for the reasons supporting allowance of claim 1.

Claims 3-8 and 27-30 which directly or indirectly depend on claims 1 or 2 are likewise submitted as allowable for the reasons supporting allowance of claims 1 and 2, as well as the distinctions defined in claims 3-8 and 27-30. Allowance of claims 3-8 and 27-30 is thus respectfully requested.

Claims 9-26 are systems claims which, as stated by the examiner at page 5 of the Office Action "repeat the subject matter of method claims 1 and 4-8 as a set of apparatus elements rather than a series of steps".

It is thus submitted that claims 9-26 are patentably distinguishable over *Wilhelm* and *Walker et al* for the reasons supporting allowance of claims 1 and 4-8 as well as the distinctions defined within each of the claims 9-26. Allowance of claims 9-26 is thus respectfully requested.

In view of the foregoing remarks and amendments it is submitted that this application is in condition for allowance and allowance thereof is respectfully requested.

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RODMAN & RODMAN 10 Stewart Place – Suite 2CE White Plains, New York 10603

Telephone: (914) 949-7210 Facsimile: (914) 993-0668

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Respectfully submitted,
/Philip Rodman/
Philip Rodman - Reg. No. 25,704
Attorney for Applicant